

ADMINISTRATIVE - INTERNAL USE ONLY

8 July 1985

MEMORANDUM FOR: Acting Chief, Security Support Division

FROM:

[redacted]
Chief, External Activities Branch

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SUBJECT: SECOM: Revision of DCID 1/14
Re: Off Duty Activities

REFERENCE: Form 610 Routing Sheet and Attachment,
[redacted] Same Subject,
dated 1 July 1985. (Attached)

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1. Office of Security/External Activities Branch (OS/EAB) has no objection to the Subject Revision and concurs in this effort to tighten up on the reporting responsibilities of those contractors granted SCI access.

2. The issue of "Conflict of Interest" is an interesting one that has been debated ad nauseum by OGC and managers within this Agency. In my view, contractors are much more likely to become involved in "Conflict of Interest" litigations stemming from their propensity to capitalize on their SCI accesses by utilizing their Agency sponsored SCI accesses to bid on potential new contracts or in responding to RFP's from sources other than the Agency that sponsored the SCI accesses in the first place. In contemplating this issue, I'm reminded of a senior VP [redacted]

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[redacted] If ever there was a conflict of interest or even the appearance of a conflict of interest, this appeared to be it. Nevertheless, he was allowed to proceed to work for the [redacted] eventually returned [redacted]

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[redacted] It is true that he may have disqualified himself from contract deliberations involving his parent company and thus avoided any accusation of conflict.

3. Whether situations like that described can be avoided in the future remains to be seen and probably would require extraordinary sensitivity on the part of both Government and contractors. I really don't believe that the Government or the contractor will give this issue the attention it deserves.

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Attachment as stated.

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